

TOWN OF DURHAM

OFFICE OF THE FIRST SELECTMAN

LAURA L. FRANCIS



**Testimony
Before the Education Committee
March 1, 2019**

**Oppose HB-7150 - AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET
RECOMMENDATIONS CONCERNING EDUCATION**

Thank you for the opportunity to comment in opposition to the provisions in the bill which will shift teachers' pension costs onto local property taxpayers.

Connecticut's small towns are facing significant difficulties in crafting local budgets and controlling property tax levels. Requiring towns to pick up a portion of the teachers' pension costs, even if it doesn't include a portion of the unfunded pension liabilities, will increase costs for small towns such as Durham.

As proposed, HB-7150 does not provide towns with any mechanism for controlling future pension costs. The Teachers Retirement System is state-run and benefit levels, contribution rates, rates of return, etc. are all set by statute or determined by the system.

In addition, the proposal requires towns to pay additional costs if teachers' salaries are higher than the median. This is unfair to towns participating in regional school districts because we have very little or no say in negotiating teachers' salaries. The uncertainty on the local level is unprecedented due to the proposal to require towns to pick up 1/3 of the costs of funding the teachers' pension system. Durham has been penalized for having salaries above the state average. That is a factor of the longevity of our staff more than it is a factor of a choice to "overpay". Another element of the proposal that is unfair.

The proposal also fails to provide towns with any meaningful way to control education costs, even where they achieve savings by adopting shared service or regional approaches. Region 13, which Durham is a part of, recently closed a school and was extremely limited in how much they could reduce their budget under the Minimum Budget Requirement (MBR). The process is unworkable given that the state Department of Education can impose penalties if towns fall below the MBR and has sole authority to approve waivers.

Thank you for your consideration.

Laura L. Francis